Testimony of Rep. Ann Hraychuck Before the Assembly Committee on Rural Economic Development Regarding Assembly Bill 771

Good morning, Chairman Garthwaite and committee members. I appreciate the opportunity to provide you with information about Assembly Bill 771.

The number one priority of Assembly Democrats is to get our economy back on track by boosting business and creating family-supporting jobs. One of the ways to do that is by ensuring Wisconsin workers have access to the right training, no matter where they live in the state. At a time when our business climate is changing, funding for worker retraining programs is critical.

This legislation will provide \$710,000 to purchase and install equipment within the existing Wisconsin Job Center network to complement the existing video conferencing system in four job centers (Madison, Jefferson, Sauk, and Marquette). Last year the South Central Wisconsin Workforce Investment Board piloted a video conferencing program and demonstrated significant financial savings. Pat Schramm, the Executive Director for the Workforce Development Board of South Central Wisconsin, is here to testify today. She can provide specific details on how this technology has been successful in the south central part of the state.

Video conferencing is on the cutting edge of high tech job training, and allows a trainer in one city to simultaneously assist job seekers in multiple locations throughout the state. For example, an interview preparation workshop being taught in Milwaukee could be broadcast to Janesville, Wausau, Phillips, Tomah and Green Bay. Currently this training would likely occur at only one Job Center at a time. By offering trainings through video conferencing, you can increase access to trainings while simultaneously decreasing cost through reduced staff time and travel.

Once the additional video conferencing infrastructure is in place, the Wisconsin Workforce Development Association projects \$1.84 million in savings over the next five years. This savings will be reinvested into the video conferencing system.

Sites for this new technology will be located in rural and mid-size communities throughout the state. The regional boards also plan to develop partnerships with local agencies—such as school districts and UW-Extension—in other communities to add more potential training sites.

Thank you for your consideration. I would be happy to answer any questions that you may have.



TESTIMONY: AB-864 SENATE ECONOMIC DEVELOPMENT 4/19/10

Thank you Chairman Lassa and members of the committee for the opportunity to testify in favor of Assembly Bill 864 that would make a change to the tax credits that businesses are eligible for under the Enterprise Zone program.

As Representative Zigmunt is the main author of this bill I will defer to him on the specifics of how this legislation works.

However, I would like to thank him for his effort in producing this needed legislation.

I think we can all agree that the Enterprise Zone program has been very successful over the years.

Most recently we made a number of changes to the program that were instrumental in keeping and attracting businesses to the state like Mercury Marine, Republic Airways, Oshkosh Truck, Uline and Morgan Aircraft.

This is an important and valuable program, but as you know it is geared toward larger companies...larger employers. And while no one would question the need to keep these large employers competitive, prosperous and here in Wisconsin, there is a desire to find a way to extend the benefits of this program to small and medium sized businesses here in the state.

I believe this legislation will accomplish that goal and that is why I am pleased to join Rep. Zigmunt in this effort.

This bill is a win-win because it will encourage larger companies that are eligible for the credits to do business with other Wisconsin businesses and suppliers by providing a tax credit to a company located in an Enterprise Zone based on the amount of business they do with other Wisconsin companies.

As a result I think we will see the added benefit of helping retain and create jobs at those businesses that are in a position to supply goods and services to these types of larger businesses that qualify for Enterprise Zone credits.

I believe Rep. Zigmunt is on the right track here. I think this is a good bill and I would hope you would support it.

Thank you.

Committees

Joint Committee on Finance, Senate Vice Chair Education Transportation, Tourism, Forestry and Natural Resources Special Committee on State-Tribal Relations Senate Organization Joint Committee on Legislative Organization **State Capitol**

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Job Training in the New Economy

Video Conference Infrastructure Proposal



Request: Co-sponsor AB-771 (Hraychuck), which provides \$710,000 in video conferencing equipment for 20 Job Centers, which will result in savings of \$1.84M that Workforce Development Boards will reinvest in more employment training.

Background:

Every Job Center across the state is doing more with less. In May of 2008 the Department of Workforce Development, who is also facing dwindling federal resources, announced that the Job Center System would be consolidated to only 22 locations statewide.

Video Conferencing is on the cutting edge of high tech job training, allowing a trainer in one city to simultaneously assist dozens of job seekers in multiple locations throughout the state. Imagine an interview preparation workshop being taught in Milwaukee and broadcast to Janesville, Wausau, Phillips, Tomah, and Green Bay. Currently, that training course would likely only occur in one Job Center at a time, duplicating staffing costs and resulting in fewer job seekers accessing the training. Simply put, purchase of this technology will cut down on overall costs for each and every job center. This savings will then be reinvested in more job training programs for other workers.

Proposal:

This proposal covers funding for the purchase and installation of equipment within the existing Wisconsin Job Center network to complement the existing video conferencing system in four Job Centers (Madison, Jefferson, Sauk, and Marquette). A synergistic system with a standard and integrated platform will provide the ability for job seekers and businesses to participate in collaborative meetings, career guidance workshops, and workforce readiness courses. In addition to the variety of uses, video conferencing will reduce travel time and duplicated staff efforts.

We Need Your Help:

The WWDA requests \$710,000 in one-time financial support from the state to establish a statewide video conferencing system that will be fully integrated into each of our Job Centers. In total, this 5-year plan is projected to cost approximately \$660,000 in monthly service costs, which will be paid by the Workforce Development Boards.

The entire statewide system will save a projected \$500,000 each year. After funding operating costs for this technology, the state would have freed up \$368,000 each year for 5 years, which the Job Centers would invest in more job training. With a \$710,000 state investment today, Job Centers will be able to invest \$1,840,000 in job training over the next 5 years.

Anticipated Site List:

Eau Claire	La Crosse	Racine
Fennimore	Marinette	Rice Lake
Fond du Lac	Menasha	Superior
Green Bay	Milwaukee (2)	Tomah
Janesville	Pewaukee	Wausau
Kenosha	Phillips	West Bend

Wisconsin Rapids

How Do You Save \$1.84 Million to Reinvest in Training?

Total Project Costs over 5 Years: \$710,000 + \$660,000 (5 yrs of service cost of \$132,000) = \$1,370,000

Net Savings: \$500,000/year - \$132,000/year (service fees) = \$368,000

Total Net Savings Over 5 Years: \$368,000/ year X 5 years = \$1,840,000 that will be reinvested into more training